



# Commonwealth of Virginia

Auditor of Public Accounts

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Walter J. Kucharski, Auditor

March 26, 2002

The Honorable Philip V. Daffron  
Chief Judge  
County of Chesterfield General District Court  
PO Box 144  
Chesterfield, VA 23832

As part of our audit of the Virginia District Court System, we have audited the cash receipts and disbursements of the County of Chesterfield General District Court for the period January 1, 2001 through December 31, 2001.

Our primary objectives were to test the accuracy of financial transactions recorded on the Court's financial management system; evaluate the Court's internal controls; and test its compliance with significant state laws, regulations, and policies. However, our audit was more limited than would be necessary to provide assurance on the internal controls or on overall compliance with applicable laws, regulations, and policies.

The results of our tests found the Court properly stated, in all material respects, the amounts recorded and reported in the financial management system. However, we noted weaknesses in internal controls and noncompliance with state laws, regulations, and policies that the Clerk needs to address as described below.

## Improve Staff Competence

The Clerk's staff does not appear to have sufficient training and an understanding of the court's automated accounting procedures. Further, the Clerk does not provide adequate oversight or supervisory review over daily operations. Specifically, we identified the following exceptions.

- Staff frequently applies defendant payments to incorrect account numbers in the court's automated financial system. These errors often result in unwarranted suspension of a defendant's driver's license as well as overpayments by the defendants. Further, court personnel frequently mismanage such overpayments by the defendants as they escheat the funds to the State without performing due diligence as required by Section 55.210-12 of the Code of Virginia.

- In three cases tested, court personnel altered the original assessment of fines and costs in the court's financial system without supporting documentation. We noted one incident of an assessment reduction to equal the payment received allowing the defendant's account to appear paid in full. In another case, court personnel reduced the assessment for no apparent reason. Finally, we identified one case where court personnel increased the defendant's assessment by \$80 without support.
- Court personnel routinely alter due dates without proper supporting documentation. All fines and costs are payable immediately upon final disposition, unless otherwise ordered by the Court or evidenced by a written payment plan as required by Section 19.2-354 of the Code of Virginia.
- Court personnel do not have an adequate understanding of the exception reports, nor do they consistently review daily financial and accounts receivable reports for errors. For example, we found cases listed on the daily system interface error report that remain unresolved up to nine months. Without proper resolution, the court's automated systems will not accurately reflect case status.

As the Clerk has ultimate responsibility for the office's accounting operations, he should ensure that his staff possesses an appropriate understanding of the financial management system and the accounting procedures. The Clerk should coordinate training for his staff to increase their knowledge and understanding of accepted accounting practices and the court's automated system processes. The Clerk should perform periodic reviews of staff work to ensure that the court personnel are adhering to accepted accounting practices, performing their work properly and timely, and regularly resolving all exceptions. The Clerk should institute procedures to preclude the overpayment of fines and costs by some and underpayments by others.

We discussed these comments with the Clerk on March 26, 2002 and we acknowledge the cooperation extended to us by the Court during this engagement.

AUDITOR OF PUBLIC ACCOUNTS

WJK/cam

cc: The Honorable Robert D. Laney, Judge  
The Honorable Thomas L. Murphey, Judge  
The Honorable Thomas L. Vaughn, Judge  
Carlton L. Hudson, Clerk  
Don Lucido, Director of Technical Assistance  
Supreme Court of Virginia  
LeAnne Lane, Court Analyst  
Supreme Court of Virginia